CLAIMS

We claim:

1.   An auction system for determining M winning bidder(s) from a plurality of potential bidders for N item(s) of merchandise, comprising:

an account database for maintaining a first account record associated with a first bidder and a second account record associated with a second bidder; and

an auction server for accessing the account database and processing a second bid from the second bidder where the second bid is associated with a second bid price, wherein the auction server reserves the second bid price from the second account record if the second bid is a valid bid.

2.   The auction system of claim 1, wherein the auction server unreserves a first bid amount associated with a first bid from the first bidder in the first account record.

3.   The auction system of claim 1, wherein $M \neq 1$ and $N = 1$.

4.   The auction system of claim 1, wherein $M = N$.

5.   The auction system of claim 1, wherein $M = 1$ and $N = 1$.

6.   The auction system of claim 1, wherein the first bid amount and the second bid amount are incentive points.

7.   The auction system of claim 1, wherein the first bid amount and the second bid amount are money.

8.   An auction processing server for allowing a plurality of bidders to bid on at least one

item, comprising:

an account file for handling account records, where each account record is associated

with a bidder for storing payment units;

a first logic for receiving bids from the plurality of bidders, where each bid is

associated with a bidder-selected number of payment units;

a second logic for reserving the bidder-selected number of payment units in the bidder's

respective account record if the selected number of payment units is available in the account

record.

9.   The auction processing server of claim 8, wherein the first logic receives a second bid

of a second number of payment units from a second bidder and had already received a first bid

of first number of payment units from a first bidder, and the second logic unreserves the first

number of payment units from the account record of the first bidder if the first number of

payment units is less than the second number of payment units.

10.   The auction processing server of claim 8, wherein the payment units are incentive

points.

11.   An auction processing server for allowing a plurality of bidders to bid on at least one

item, comprising:

an account database for handling account records, where each account record is

associated with a bidder for storing payment units;

a first logic for receiving bids from the plurality of bidders, where each bid is

associated with a bidder-selected number of payment units and a second automated bidder

maximum number of payment units;

a second logic for reserving the bidder-selected maximum number of payment units in

the bidder's respective account record if the second automated bidder maximum number of

payment units is available in the account record.

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1 12. The auction processing server of claim 11, wherein the first logic receives a second bid

2 of a second number of payment units from a second bidder and had already received a first bid

3 of first number of payment units from a first bidder, and the second logic unreserves the first

4 number of payment units from the account record of the first bidder if the first number of

5 payment units is less than the second number of payment units.

1 13. The auction processing server of claim 11, wherein the first logic receives a second bid

2 of a second number of payment units from a second bidder and had already received a first bid

3 of first number of payment units from a first bidder and an first automated bidder maximum

4 number of payment units, and the second logic unreserves the first automated bidder maximum

5 number of payment units from the account record of the first bidder if the first number of

6 payment units is less than the second number of payment units.

1 14. The auction processing server of claim 13, wherein the second logic unreserves the

2 difference between a final winning price and the second automated bidder maximum number of

3 payment units if the second bidder is declared the winner and the final winning price is less

4 than the second automated bidder maximum number of payment units.

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